Congress of the United States Washington, DC 20515

November 21, 2019

Brian Chesky, CEO Airbnb, Inc. 999 Brannan St. San Francisco, CA 94103

Dear Mr. Chesky:

We write to express our concern following numerous media reports detailing instances of "hosts" abusing the Airbnb online platform to list short-term rentals out of compliance with local law, as well as Airbnb's own policies. While we understand that you have announced a number of impending changes, we are concerned about the efficacy of the announced changes, as well as when they will go into effect. Therefore, we request a briefing within the next 2 weeks to answer the questions detailed below.

We are particularly interested in determining the nature of your relationship with "hosts" who create short-term rental listings on your company's online platform. Despite Airbnb's stated "One Host, One Home" policy, media reports have raised concerns about the proliferation of limited liability corporations on your platform listing units for rent. For example, listings by an LLC, out of compliance with your company's stated policies, were so common that one operation in New York City generated revenues of nearly \$21 million in 3 years.¹

Deceptive and misleading listings have also led to customers being scammed by "hosts" who abuse Airbnb's cancellation policies to trick guests into unsuitable housing conditions for monetary gain.² While some of these fake "hosts" may indeed carry legitimate listings, media reports suggest that the lax policies on your platform have created an environment where guests easily become unwittingly exposed to scammers.

We are confident you agree with us that these reports are extremely disconcerting. This is why we hope to work with you to resolve our concerns expeditiously. We would appreciate a meeting with you to answer the following questions:

¹ "New York Empire of Illegal Airbnb Rentals Booked 75,000 Guests, Suit Says," <u>NY Times</u>. Available: https://www.nytimes.com/2019/01/14/nyregion/airbnb-illegal-brokers-real-estate.html?module=inline

² "I Accidentally Uncovered a Nationwide Scam on Airbnb," <u>Vice</u>. Available: https://www.vice.com/en_us/article/43k7z3/nationwide-fake-host-scam-on-airbnb

Authenticity of "hosts"

- 1. While we appreciate that you will now engage in efforts to verify the veracity of host identities can you tell us what or who Airbnb considers a "host" on its platform? For example, would a real estate company (or LLC) be consistent with what Airbnb considers a "host"?
- 2. Please provide us an overview of how Airbnb currently vets hosts.
 - a. Please also detail how this will change in the future to ensure the authenticity of hosts on your platform.
 - b. When will these changes take place?
- 3. Will you begin to require government identification from all hosts and guests, so that the results of criminal background checks that Airbnb runs can be relied upon?
- 4. Subsequently, will you remove listings of hosts who fail to provide sufficient information to conduct such checks?
- 5. Please list the services that Airbnb offers hosts when they sign up to join the platform.
 - a. Does Airbnb provide new hosts tips on how to make listings more appealing to potential renters?
 - b. Is there required training that hosts must complete in order to become a member of your online platform community? What about guests?

Authenticity of short-term listings

- 6. We appreciate that you will now engage in efforts to verify the veracity of photos on rental listings. Can you tell us how often Airbnb will run a compliance check on each new listing?
- 7. How often does Airbnb currently check existing rental listings to ensure compliance with Airbnb's stated policies, if at all?
- 8. How many listings did Airbnb find out of compliance with platform policies in 2019? In 2018? Out of these, how many did Airbnb take down in 2019? 2018?
- 9. According to your new proposal, can you please elaborate on how you intend to verify that units meet "basic safety protocol[s]?" Will this entail a physical inspection?
- 10. How will you be conveying to consumers a certification of units verified to be "accurate[ly]" listed and safe?
 - a. Accordingly, how much responsibility will Airbnb take when units fail to meet your standards?
 - b. What sort of compensation can guests who are subject to fraud, deception, discrimination or other failings expect to receive?
- 11. Do you have any plans to take down listings of units that fail to meet your standards, or will they continue to be available with a disclaimer? If so, will you pledge to make that disclaimer prominent and visible to consumers at first click in the search process, in advance of finalizing reservations?
- 12. Can you articulate the criteria to be used in identifying "high-risk reservations?" Do the algorithmic factors include considerations related to age, race, gender, other personal traits, and/or neighborhood demographics?

While we appreciate that you have frequently stated that Airbnb has a "zero tolerance" policy with respect to these types of host behaviors, it also seems clear that you have failed to authenticate host

identities in a way that would prevent bad actors from continuing to rent through your platform under false identities after being banned. We look forward to working with you to resolve the outstanding issues we outlined above.

Sincerely,

Bonnie Watson Coleman Member of Congress

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Robin L. Kelly Member of Congress

Emanuel Cleaver, II Member of Congress Barbara Lee Member of Congress

G. K. Butterfield Member of Congress

Yvette D. Clarke Member of Congress